

Final Evaluation Findings

North Carolina Coastal Management Program

June 1997 – April 2003



Office of Ocean and Coastal Resource Management
National Ocean Service
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I. OVERVIEW

The Coastal Zone Management Act (CZMA) of 1972, as amended, established the Coastal Zone Management Program. Section 312 of the CZMA requires the National Oceanic and Atmospheric Administration (NOAA) to conduct periodic performance reviews or evaluations of federally approved Coastal Management Programs. The most recent evaluation of the North Carolina Coastal Management Program (NCCMP) examined the operation and management of the program during the period of June 1997 through April 2003. The North Carolina Department of Environment and Natural Resources (DENR), Division of Coastal Management (DCM) administers the NCCMP.

This document describes the evaluation findings of the Director of NOAA's Office of Ocean and Coastal Resource Management (OCRM) with respect to NCCMP during the review period. The fundamental conclusion of this evaluation of NCCMP is that DENR is successfully implementing and enforcing its federally approved Coastal Management Program. The recommendations made by this evaluation appear in boxes and follow the relevant section of findings. Two types of recommendations are possible: (1) **Necessary Actions** address programmatic requirements and *must* be implemented by the indicated date; and (2) **Program Suggestions** describe actions that NOAA believes DENR should take to improve the program but that are not currently mandatory. Program Suggestions that are reiterated in consecutive evaluations due to continuing problems may be elevated to Necessary Actions. If no dates are indicated, DENR is expected to address the recommendations by the time of the next §312 evaluation. This document contains eight (8) Program Suggestions and two (2) Necessary Actions. NOAA will consider the findings made by this evaluation when making future financial award decisions regarding NCCMP.

II. PROGRAM REVIEW PROCEDURES

A. OVERVIEW

NOAA began its review of NCCMP in January 2003. The §312 evaluation process involved four distinct components:

- An initial document review and identification of specific issues of particular concern;
- A site visit to North Carolina including interviews and three public meetings;
- Development of draft evaluation findings; and
- Preparation of the final evaluation findings, partly based on comments from the state regarding the content and timetables of Necessary Actions specified in the draft document.

B. DOCUMENT REVIEW AND ISSUE DEVELOPMENT

The evaluation team reviewed a wide variety of documents prior to the site visit, including: (1) the federally approved Environmental Impact Statement and program documents; (2) financial assistance awards and work products; (3) semi-annual performance reports; (4) official correspondence; (5) previous §312 evaluation findings; and (6) relevant publications on natural resource management issues in North Carolina.

Based on this review and on discussions with OCRM's Coastal Programs Division, the evaluation team identified the following priority issues:

- The effectiveness of the Division of Coastal Management (DCM) in permitting, monitoring and enforcing the core authorities that form the legal basis of NCCMP;
- The manner in which DCM provides technical assistance to local governments on coastal issues;
- Coordination efforts with the North Carolina National Estuarine Research Reserve and management of the Coastal Reserves;
- The manner in which NCCMP coordinates with other federal, state and local agencies and programs;
- The implementation of Federal and state consistency;
- The manner in which DCM is monitoring, reporting and submitting program changes;
- Status of DCM efforts in public education and program visibility;
- The status of federal financial assistance awards; and
- The manner in which the state has addressed the recommendations contained in the previous §312 Evaluation Findings released in 1997.

C. SITE VISIT TO NORTH CAROLINA

Notification of the scheduled evaluation was sent to NC DENR, DCM, relevant federal environmental agencies, members of North Carolina's Congressional Delegation and regional newspapers. In addition, a notice of NOAA's "Intent to Evaluate" was published in the *Federal Register* on January 22, 2003.

The site visit to North Carolina was conducted on March 10–14, 2003. Cheryl Graham-Oliver, Evaluation Team Leader, and Elizabeth Mills, both from the OCRM National Policy and Evaluation Division; Elisabeth Morgan, NCCMP Specialist, OCRM Coastal Programs Division; and Julie Bixby, Coastal Planner, Virginia Coastal Program, formed the evaluation team.

During the site visit, the evaluation team interviewed NCCMP staff, senior DENR and other state officials, federal agency representatives, interest group representatives and private citizens. Appendix B lists people and institutions contacted during this review.

As required by the CZMA, NOAA held advertised public meetings at 7:00 p.m. on Monday, March 10, 2003, at the DENR Wilmington Regional Office, 127 Cardinal Drive Extension, Wilmington, NC; Tuesday, March 11, 2003 at the Carteret County Courthouse, Courthouse Square, Beaufort, NC; and, Wednesday, March 12, 2003, at the Manteo Town Hall, 407 Budleigh Street, Manteo, NC. These public meeting gave members of the general public the opportunity to express their opinions about the overall operation and management of NCCMP. Appendix C lists individuals who registered at the meeting. Appendix D contains NOAA's response to written comments received.

The NCCMP staff was instrumental in assisting the Evaluation Team throughout the course of preparation and execution of the site visit. Their support is gratefully acknowledged.

III. COASTAL AREA DESCRIPTION

North Carolina's coastal area consists of 20 coastal counties. The NCCMP employs a two-tier approach to manage the state's coastal resources within this area. The critical resource areas, designated as Areas of Environmental Concern (AECs), comprise the first tier. The DCM regulates activities in these areas through Coastal Area Management Act (CAMA) permits. The designated AECs include public trust areas and estuarine waters, saltwater wetlands, beaches, primary dunes, primary nursery areas, frontal dunes, ocean erosion areas, inlet lands, small surface water supply watersheds, public water supply well fields, a narrow strip of land around coastal waters and certain fragile natural resource areas. Areas within the twenty coastal counties comprise the second tier. These areas are managed through a coordinated effort of other state laws, local Land-Use Plans (LUPs) and Executive Order 15, which requires state agency actions to be consistent with the local LUPs.

IV. PROGRAM ADMINISTRATION & DESCRIPTION

The NCCMP was approved on September 1, 1978. The NCCMP consists of: (1) resource management laws and regulations; (2) state policies concerning coastal management established by statutes or other authorities; (3) the Governor's Executive Order Numbers 15, 57, 95 and 120; and (4) CAMA, which provides a cohesive bond with existing statutes to provide a broad system of coastal management complete with guidelines, regulations, standards, procedures, and local land-use plans. The DENR is the lead agency for implementing CAMA. DCM within the DENR is responsible for program implementation and related administrative activities, such as CAMA and state dredge and fill permits, and state consistency reviews. The Coastal Resources Commission (CRC), a regional resource management body established by the CAMA, is involved in all decisions involving development in areas of environmental concern, provides policy direction for the development of local land-use plans and approves these plans. The 45-member Coastal Resources Advisory Council (CRAC) is composed of representatives of local government and state agencies and provides input to the CRC deliberations.

The basic goals of the NCCMP are:

- To provide a management system capable of preserving and managing the natural ecological conditions of the estuarine system, the barrier dune system, and the beaches to safeguard and perpetuate their natural productivity and their biological, economic, and aesthetic values;
- To ensure that the development or preservation of the land and water resources of the coastal area proceeds in a manner consistent with ecological considerations;
- To ensure the orderly and balanced use and preservation of coastal resources on behalf of the people of North Carolina and the Nation; and
- To establish policies, guidelines, and standards for the protection, preservation and conservation of natural resources; the economic development of the coastal area; recreation, tourist facilities and parklands; transportation and circulation patterns; the preservation and enhancement of historic, cultural and scientific aspects of the coastal area; and the protection of common law and statutory public rights in the lands and waters of the coastal area.

The NCCMP relies upon the authorities of the CAMA, as well as the programmatic direction of the DCM and CRC, to accomplish these objectives.

The CAMA established the CRC, which is composed of 15 members appointed by the Governor, to "serve and act on the Commission solely for the best interests of the public and public trust..." in the areas of commercial fishing, wildlife or sports fishing, marine ecology, coastal agriculture, coastal forestry, marine related business, engineering, state or national conservation organizations, coastal land development, financial institutions, local governments, and at-large members. The CRC is responsible for the development of policies and state guidelines for the designation and regulation of AECs and the establishment of state guidelines for local land-use planning in the coastal area. The

CRC is also responsible for initiating action on new coastal resource management issues. The NCCMP's objectives and management approach encompass five major DCM and CRC activities: 1. permitting activities; 2. development of local land-use plans; 3. financial and technical assistance to localities; 4. coastal reserve activities; and 5. CRC/DCM policy formulation.

1. Permitting Activities

a. Major Permits

Activities in AECs require either a CAMA major or minor development permit. "Major development" is defined as an activity that requires the authorization, permission, certification, approval, or licensing of another state agency; occupies land or water area in excess of 20 acres; contemplates drilling for, or excavation of, natural resources on land or under water; occupies, on a single parcel of land, a structure or structures in excess of a ground area of 60,000 square feet; involves the siting of a utility facility that is not subject to the authority of the state's Utilities Commission; or involves a Federal permit. The DCM office in Raleigh issues CAMA major development permits. (Note: Since the site visit and completion of these findings, major functions of the DCM office are now located in Morehead City. These changes are referenced in these findings).

b. Minor Permits

Minor permits are required for all development activities in AECs that are not considered major development. Local permitting officers (LPOs), who are designated by local governments and approved by the CRC, issue minor development permits. There are currently 57 LPOs. DCM field staff provides technical assistance on permit applications to the LPOs as required. DCM field staff also issue minor permits in localities without LPOs.

c. General Permits

Certain routine types of development that do not alter wetlands, impact adjoining property, or unreasonably interfere with navigation are eligible for a general permit. General permits were created to expedite issuance of standardized CAMA major permits, generally 1-2 days. The CRC has adopted a number of general permits for the following forms of development. These include, but are not limited to: construction of private piers, docks, and boathouses; protection of the estuarine shoreline with bulkheads and riprap along alignments not extending over five feet into the water; construction of wooden groins for estuarine shoreline protection; construction and maintenance of boat ramps along the estuarine shoreline; maintenance dredging of channels, canals, boat basins, and ditches when excavation does not involve the removal of more than 1,000 cubic yards of material; installation of aerial and underwater utility lines in estuarine AECs; emergency work requiring a CAMA permit; and moving sand from above the mean high water line on ocean beaches to create protective dunes.

2. Development of Local Land-Use Plans

The CAMA requires that each county in the coastal area have a LUP describing permissible land-use patterns for the area under jurisdiction. Towns within the coastal counties have the opportunity to develop and adopt their own plans or be included in the county LUP. The NCCMP requires that each LUP be consistent with LUP guidelines adopted by the CRC. The NCCMP requires LUPs to contain statements of local land-use objectives, policies, standards, supportive data, a classification of land within the county or town, and a hazards mitigation and post-hazard plan.

All 20 coastal counties adopted LUPs in 1976 and 1977 to guide development and permit decisions. The CAMA requires LUPs to be updated at least every 5 years. Once the local government has adopted an LUP, the CRC reviews and approves it to ensure its consistency with CRC standards and guidelines. Following adoption by the CRC and approval by OCRM, the LUPs and subsequent updates are part of the NCCMP and activities conducted within the coastal area must be consistent with the LUP as well as other elements of the NCCMP. In addition, all CAMA permits must be consistent with local land-use plans. Currently each of the 20 counties and another 70 municipalities prepare local land-use plans. Municipal plans are generally updated the same year as the county plan.

3. Financial and Technical Assistance to Localities

DCM staff in Raleigh and in the four district offices (Elizabeth City, Washington, Morehead City, and Wilmington) provide technical assistance to local government officials involved in LUP development and revision, as well as assistance in minor permit administration. Often this assistance involves working with permit applicants, builders, business concerns, and others affected by the NCCMP. Technical assistance may include individual meetings with staff or presentations at local public meetings and other forums to explain the objectives and implementation of the NCCMP. Financial assistance also is provided for local planning projects, such as land-use plans, local ordinances, public access plans, and storm hazard mitigation plans. The projects must meet CRC approved criteria and are intended to improve resource planning and management capability at the local level.

DCM also awards about \$1 million a year in matching grants to local governments for projects to improve pedestrian access to the state's beaches and waterways. Funding for the Public Beach and Coastal Waterfront Access Program comes from the N.C. Parks and Recreation Trust Fund. Local governments may use access grants to construct low-cost public access facilities, including parking areas, restrooms, dune crossovers and piers. Projects range in size from small, local access areas to regional access sites with amenities such as large parking lots, bathrooms and picnic shelters. Towns and counties also may use the grants to replace aging access facilities. In addition, local governments can use the funds to help acquire land for access sites or to revitalize urban waterfronts.

4. North Carolina Coastal Reserve and National Estuarine Research Reserve (NCNERR)

The North Carolina Coastal Reserve Program, within DCM, was authorized by the NC General Assembly in 1989 to protect unique coastal sites. The program includes the NCNERR, part of the National Estuarine Research Reserve system. DCM manages the NCNERR in partnership with the NOAA under the CZMA. The North Carolina Coastal Reserve is comprised of ten sites, four of which are designated as the NCNERR. These sites are: Currituck Banks, Rachel Carson, Masonboro Island, and Zeke's Island. Other sites in the North Carolina Coastal Reserve Program are Kitty Hawk Woods, Emily and Richardson Preyer Buckridge, Buxton Woods, Permuda Island, Bald Head Woods, and Bird Island. The Coastal Reserves operate as living laboratories for research, education and management. Coastal Reserve offices are located in Kitty Hawk (manager for Kitty Hawk Woods, Currituck Banks and Buxton Woods), Columbia (manager for the Buckridge site), Beaufort (the education office and manager of the Rachel Carson site) and Wilmington (Coastal Reserve coordination, research, and manager for Permuda, Masonboro, Zeke's and Bird islands).

5. CRC Policy Formulation

The CRC establishes policies regarding activities in the coastal area, the designation of AECs, and development of guidelines and standards for activities within the AECs. The CRC also formulates policies on beach and waterfront access. The procedures used by the CRC in policy formulation involve the DCM (for technical assistance and staff support), the CRAC, local governments, and the general public. The CRC routinely conducts public hearings in conjunction with its consideration of new or revised AEC designations, standards, guidelines, and policy changes to CAMA.

V. ACCOMPLISHMENTS, REVIEW FINDINGS AND RECOMMENDATIONS

A. PROGRAM ADMINISTRATION

The DCM works to protect, conserve, and manage North Carolina's coastal resources through an integrated program of planning, permitting, education and research. DCM carries out CAMA, the Dredge and Fill Law and the federal CZMA in the 20 coastal counties, using rules and policies of the CRC. The Division serves as staff to the CRC.

DCM is responsible for several programs, including permitting and enforcement; CAMA land-use planning; public beach and waterfront access; North Carolina Coastal Reserves; and grants for marine sewage pumpout. The Division also collects and analyzes data for erosion rates, wetlands conservation and restoration, and to assess the impacts of coastal development.

At the time of the site visit, the Raleigh office housed the administration, policy analysis, strategic planning and geographic information systems sections. CAMA major development permits and federal consistency reviews also are processed in this office. Field offices, or coastal offices of DCM, are located in Elizabeth City, Washington, Morehead City and Wilmington. Staffs in these offices are responsible for permitting and enforcement. Each field office also includes a planner who provides assistance to local governments developing land-use plans and public access sites.

The evaluation team was very impressed with DCM's successful coordination with other programs both within DENR as well as with external federal, state, local, academic, industrial and private agencies and organizations. During the site visit the evaluation team received numerous compliments on the responsiveness and accountability of DCM staff at the field and headquarters level. The accessibility of staff, while sometimes limited by budget constraints, was a reoccurring note of praise. Examples of this coordination and partnering are further described within these findings.

North Carolina, like many other states, currently faces a serious budget deficit. Across-the-board cuts have been imposed on all divisions within DENR. Some divisions have had to make additional reductions, including DCM. Additionally, there has been pressure to move the entire DCM administrative staff, located in Raleigh, to the coast. It was apparent to the evaluation team that a reorganization of the current structure of the Division will likely be proposed.

Given the level of expertise in the field offices, the amount of praise and the compliments on accessibility of staff for technical assistance, it was not clear to the evaluation team that this reorganization would effectively benefit the overall program. The location of senior staff in Raleigh provides the NCCMP the benefit of coordination and collaboration within and outside of DENR. A reorganization that relocates DCM leadership, and

thereby reduces their ability to collaborate with major players responsible for the protection of natural resources in the state, should be carefully considered. During his meeting with the evaluation team, the DENR Secretary noted that he would like DENR as a whole to become more integrated, and that he views DCM as a model for others to follow.

(**NOTE:** Since the site visit, some of the DCM leadership has been relocated to the Wilmington Office. It is not clear if this has proven to be effective given the structure of the program and the need to coordinate with prominent state agencies located in Raleigh).

1. PROGRAM SUGGESTION: The current structure of DCM - administration, policy analysis, strategic planning and geographic information systems sections located in Raleigh and field offices, or coastal offices of DCM, located in Elizabeth City, Washington, Morehead City and Wilmington – present an effective, well-coordinated and responsive NCCMP. The relocation of DCM leadership to the coast or field office could disrupt DCM's operations and create barriers that will inhibit effective communication and coordination for the protection of natural resources in the State of North Carolina, particularly with other major state programs and agencies, headquartered in Raleigh. Therefore, NOAA strongly recommends that advantages and disadvantages that may be associated with of any future reorganization of DENR be given careful consideration. In particular, when evaluating a move, DENR should consider how coordination functions will be maintained.

B. STAFFING

DCM has taken a number of proactive steps to increase its program effectiveness. In a time of lean budgets, DCM has been able to place emphasis on providing better services to local governments and the public. This has been achieved through a number of critical staff positions.

For example, in response to the need for improved permit compliance in CAMA jurisdictions by local governments and property owners, DCM created coordinator positions that oversee minor permit activities and compliance and enforcement activities for both minor and major permit programs. These positions have benefited the NCCMP two-fold. The positions allow for better compliance and implementation of CAMA regulations at the local level.

The Minor Permits Program Coordinator is responsible for coordinating with local permitting officers (LPOs). Often LPOs are individuals within some form of local government responsible for the review and issuance of CAMA Minor permits. These duties are often in addition to other job responsibilities. The Minor Permits Program Coordinator is responsible for making sure that LPOs are well informed to review and issue permits, if appropriate. Inasmuch, the Minor Permits Program Coordinator has initiated an informal newsletter, an annual training workshop and regional training days to assist LPOs in effectively assisting communities and local residents with permitting

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processes. These training opportunities allow LPOs to discuss and review local programs, share information and ideas on how to implement strategies to improve the consistency and efficiency of the CAMA, provide environmental education and understand local needs.

During the review period, DCM has been extremely successful in further streamlining the processing time for CAMA major permits. CAMA Major permits are needed for activities that require other state or federal permits, for projects that cover more than 20 acres or for construction covering more than 60,000 square feet. Applications for CAMA Major permits are reviewed by 10 state and four federal agencies before a decision is made to issue or deny a CAMA Major permit. Most, if not all, transportation projects fall into the CAMA Major permit category. Working closely with the North Carolina Department of Transportation (NCDOT), a staff position was created and located in the DCM Permits and Consistency Unit. Funded by the NCDOT, this transportation coordinator position acts as a liaison between DCM and NCDOT. This position has allowed for timelier and thorough transportation project reviews, and has led to more environmentally-sensitive transportation project designs and less transportation project delays relating to CAMA Major permit reviews.

Finally, the continuing demand for coastal development permits has created increased workloads on all of the field offices. While some vacancies still exist in the field, it is critical that the DCM continue to provide coordination and technical assistance to local governments and the public.

DCM staff provides technical assistance and training to local government officials and local planners for preparing land-use plan updates and amendments. This assistance is useful to the locality and consistent with the NCCMP. During the review period, CRC revised land-use planning and funding guidelines (see section D of these findings). This revised planning process, often referred to as ambitious and flexible, has been widely accepted at the local level due to the exceptional knowledge and accessibility of the senior planner and other the district planners in the field. Staff regularly meets with local planners, planning consultants, planning board members and elected officials. District planners are intimately familiar with individual coastal community needs. This message was repeated often during interviews with local officials.

Through years of cooperative partnerships, DCM has been able to educate, empower and network with municipal staff to build local capacity and provide state level support on technically complex or politically sensitive issues. NOAA commends DCM for the technical assistance and services that it provides to North Carolina's coastal county and local governments and encourages it to continue these efforts to the greatest extent practicable.

2. PROGRAM SUGGESTION: NOAA encourages DCM and DENR to continue to support positions that sustain NCCMP planning, permitting and enforcement tasks. These positions - minor permit program coordinator and compliance and enforcement coordinator, senior planner and district planner - are essential to the implementation of the NCCMP at both the local and state level.

C. PERMITTING, ENFORCEMENT AND MONITORING

Permitting

The number of permit applications has continued to rise. Staff focuses on reviewing and acting on permit applications in a timely fashion and consistently have processed a large number of applications. In 2000, 87 percent of CAMA major and general permits were processed in less than seven days. The minor permit program allows many projects to be permitted quickly by local governments. This delegation of authority saves residents both time and money.

To simplify permit fees and approvals for coastal landowners, DCM and the Division of Water Quality developed an integrated Section 401 water quality certification and CAMA major permit process in which DCM staff collect all fees and issue a general 401 certification on routine major permits. This has been one contributing factor to the reduction of process-to-approval time.

The active 1999 hurricane season greatly increased the number of permit actions taken by the DCM that year. While the number of major permit actions fell below anticipated numbers, the number of general permits increased significantly, driven mainly by the large number of requests to replace storm-damaged structures (e.g. bulkheads, docking facilities). To aid impacted property owners, the CRC enacted a temporary general permit that allowed for rapid approval of hurricane-related replacement activities, provided that the work took place within previously existing limits and that the activity was determined to be consistent with existing rules. The emergency general permit also waived permit application fees. Consistency reviews necessitated by hurricane recovery efforts were also handled in an expedited manner, under procedures developed and implemented by the DCM federal consistency staff.

In 2000, DCM unveiled a new general permit that would allow property owners in estuarine areas to use rip-rap for shoreline stabilization in front of coastal wetlands. General permits are used for routine projects that are small in scale and typically do not pose a significant threat to the environment, thus not requiring extensive state and federal agency review. Previously, rip-rap projects of this type required a major permit. With the new general permit, permits for rip-rap are easier and less costly to obtain. Thus, property owners may be more inclined to install rip-rap in front of coastal wetlands.

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Finally, DCM was recognized by DENR senior management for reducing CAMA major permit processing time by 17% during the first half of 2000 over 1999's processing time. This reduction occurred at the same time that CAMA major and general permit applications had increased by 54% over the prior two fiscal years. This trend continues in spite of budget restrictions and increased staff workloads.

The aforementioned actions have allowed DCM to provide more effective public service to coastal communities while protecting natural resources. As a result, the program can boast the following during the review period:

- 100 percent of CAMA major and general permit applicants received a site visit by DCM field staff
- 65.5% of all CAMA permits are general permits issued by DCM field staff
- 30.6% of all CAMA permits are minor permits issued mostly by local governments
- 3.9% of all CAMA permits are major permits issued by DCM Raleigh staff

NOAA commends DCM for the significant reductions in permit processing time, increased site visits, general permit development and other streamlining efforts, despite staffing shortfalls and increased permit applications. NOAA also encourages DCM to continue exploring ways to improve permitting efficiency through technological advances or other means.

Permit Coordination – Inter- and Intra- agency Quarterly Meetings

DCM benefits from strong linkages with other divisions within DENR (including Water Quality, Soil and Water Conservation, and Marine Fisheries) and with the NC Department of Transportation. However, occasional inconsistencies in decisions and disconnects between actions of state agencies reveal a need for increased communication between DCM and its partner state agencies. While DCM manages the coastal zone, activities that occur outside the boundary of the 20 coastal counties often affect the coastal area. These activities may include shopping districts, housing developments and transportation projects. By establishing quarterly meetings with partner agencies, DCM would benefit from seeing the larger picture of activities in the state that may affect the coastal zone. NOAA encourages DCM to play a coordinating role in establishing quarterly meetings with its partner state agencies.

3. PROGRAM SUGGESTION: DCM is encouraged to seek out mechanisms to better coordinate with other state and federal agencies that issue or review permits affecting the coast. It is recommended that quarterly meetings be an avenue for initial coordination and collaboration.

Express permitting

At the time of the site visit, the DENR Secretary expressed his and the Governor's desire to further streamline the permit and review process for a number of programs including CAMA. Under this proposed "pilot" program prospective applicants may request an

“express review” when applying for any one or all of the permits, approvals or certifications in the following programs: erosion and sediment control; coastal management; and water quality, including but not limited to water quality certification and stormwater management. The DENR will determine the number of applications reviewed under the pilot program. DENR will have the authority to establish additional staff positions and to set the fee for express review based on full cost recovery. These fees can be the total cost of DENR activities related to the review of the application, including, but not limited to negotiation of the permit or certification, public notice and community involvement, and all other activities related to the review of the application.

Update: Since the site visit the North Carolina General Assembly has authorized and provided funding for the express permitting program. Express permitting offers a pre-application consultation to identify necessary environmental requirements, a more predictable review timeline, and increased coordination throughout the permitting process and quicker permit decisions. The program’s ability to provide quicker decisions is the result of increased coordination among the participating programs. Express permitting staff concentrate their attention on a relatively small number of permit applications. Higher permit fees are charged to support the additional staff needed to coordinate the expedited reviews.

The express permitting process does not affect environmental review requirements. CAMA permits that go through the express permitting program must meet that same statutory and regulatory requirements that apply in the normal CAMA permit review process. Public notices are still required to be published and review agencies have the same period of time to review and comment on express permit applications. Most CAMA projects reviewed through the express permit program require only another state approval or, if a federal permit is also required, fall under a nationwide or general permit from the U.S. Army Corps of Engineers.

4. PROGRAM SUGGESTION: While the express permitting process does not affect environmental review requirements, this enhanced program may qualify as a routine program change to the NCCMP federally approved program. DCM is encouraged to submit information about the express permitting process to OCRM for discussion and review.

Enforcement and Monitoring

CAMA permits are intended to protect the environment, public-trust rights and a sustainable coastal economy for North Carolina. To ensure that CRC regulations are followed, a number of compliance tools are in place. For example, DCM staff monitor projects that have received major or general permits to make sure they are being carried out correctly. Staff also conducts routine aerial surveillance to look for unpermitted activity.

The most critical compliance tool is enforcement. Someone is determined to be in violation if they begin development in an AEC without a valid CAMA permit or if any of their CAMA-permitted work does not comply with the issued permit. Once a violation has occurred, DCM staff can issue a violation notice, halt development in progress, require restoration of the site and assess a penalty for the violation.

In dealing with violations, DCM's first priority is to seek resource recovery through prompt, voluntary restoration of the damaged area. The Division's enforcement authority allows the Division to require restoration for activity that could not be permitted, and to assess civil penalties of up to \$2,500 per day for unpermitted work. The average assessment in 2000 was \$350. The average assessment issued by all agencies within DNER for the same time period was approximately \$3,000. Assessments do not include investigative costs incurred by DCM staff.

DCM issues about 150 violation notices each year; most penalties assessed are between \$150 and \$500. Fines collected are deposited into the state's General Fund and are turned over to local school boards as required by law. However, permit fees ranging from \$100-400 are subtracted from the assessed penalties and returned to DCM. DCM, through DENR, is presently working with the General Assembly to increase the maximum fines for civil penalties for unpermitted work.

D. LAND-USE PLANNING

CAMA requires each of the 20 coastal counties to have a local land-use plan in accordance with guidelines established by the CRC. The CRC's guidelines provide a common format for each plan and a set of issues that must be considered during the planning process; however, the policies included in the plan are those of the local government, not of the CRC. Each land-use plan includes local policies that address growth issues such as the protection of productive resources (i.e., farmland, forest resources, and fisheries), desired types of economic development, natural resource protection and the reduction of storm hazards.

The land-use planning program fell under criticism in recent years. Environmentalists were concerned that the state program did not go far enough to protect coastal resources. Local governments felt that they should have more autonomy in their planning. Critics on both sides of the issue complained about complicated guidelines, one-size-fits-all regulations, lack of implementation of local plans, and inadequate public participation and understanding of the planning program.

In November 1998, DCM staff proposed a two-year moratorium on the development of new or updated land-use plans. Besides the moratorium, the proposal included: 1) a recommendation to allow local governments already in the planning process to choose whether to take their plans forward to the CRC; and 2) a committee to review the land-use planning program and guidelines. The CRC approved the proposal and authorized a Review Team of external experts to review the program. The chairs of the CRC and

CRAC and the DCM Director appointed the team. The Review Team, which was comprised of a cross section of municipal, county and state government, academia, conservation organizations and consultants, met frequently from March 1999 through July of 2000. It developed recommendations to restructure the existing planning program into one that would address concerns about CAMA planning and better support the goals of the act. The CRC accepted the team's report in September 2000 and used it as a guide in drafting new land-use planning rules.

Revision of Land-Use Planning Guidelines

The CRC has sought to improve the quality of land-use plans by establishing simple, clear elements, requiring more thorough analysis of land suitability and creating management topics to guide the development of local policies. The revisions took effect August 1, 2002.

The new guidelines offer three levels of plans that will give local governments the flexibility to tailor planning to meet local needs. A *core plan* is the standard land-use plan for the 20 coastal counties. It addresses all of the CAMA plan elements. Counties and municipalities that, because of local conditions, choose to exceed the core plan requirements in two or more areas may complete an *advanced core plan*. This plan also can be used to help meet the requirements of other planning programs, such as Phase II Stormwater, that address CAMA goals or issues of local concern. Small non-oceanfront municipalities that are not experiencing high growth, but contain areas of environmental concern, have the option of doing a *workbook plan*. This is a simplified plan that addresses the CAMA land-use planning elements.

One of the goals of the guidelines is to maintain, protect and, where possible, enhance water quality in all coastal wetlands, rivers, streams and estuaries. The guidelines require local governments to identify policies to ensure that coastal water quality is improved or maintained. Chief among these policies are those that prevent or control stormwater discharges. Stormwater runoff is a leading cause of water-quality problems along the coast. Local policies, such as impervious-surface limits, vegetated riparian-buffer creation and wetlands protection, can help lessen the negative impacts of stormwater runoff on coastal waters.

The guidelines also require local governments to develop policies and land-use categories that protect open shellfish waters and restore closed or conditionally closed shellfish waters.

Land Suitability Analysis

The new guidelines ask local governments to do more analysis of the planning area's land that is suited for development (Land Suitability Analysis). The analysis places more emphasis on how local governments address natural system constraints in land-use planning. To aid local governments in developing high-quality land-use plans, the DCM created a model land suitability analysis and accompanying model software.

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The local government representatives interviewed during the evaluation responded positively to these revisions. Many were anxious to implement the new process and were optimistic that the new rules and technical guidance would greatly simplify the process. In addition, there was expressed satisfaction with representation on the committee that developed the revisions and with the opportunities for public involvement in the process.

Implementation of LUP Revisions

DCM helps local governments in the 20 coastal counties fund local land-use planning and management projects through the CAMA Local Planning and Management Grants Program. DCM awards grants each year for local planning and management projects and provides technical assistance to local governments.

The LUP revisions also developed a grant structure for land-use plan updates. Under this new grant structure, a financial incentive is offered to localities to develop an advanced core plan, thus encouraging localities to take a more comprehensive and thorough approach to environmental planning.

In addition to financial assistance, DCM is providing technical assistance to localities through (1) its four planners, located in each of the Division's district offices, (2) the Land Suitability Analysis Model and (3) training for local officials about CAMA land-use planning. The Land Suitability Analysis Model is designed with a user-friendly interface and allows the individual user to weight the criteria. The usefulness and flexibility of the model and the accompanying technical manual and user guide will assist localities in implementation of the new land-use planning rules.

NOAA commends DCM for the committing the necessary investment of time and effort to revise the land-use planning process. During the evaluation site visit, local government representatives indicated that the new rules are less complicated, better tailored to local governments' needs and more in line with the goals of CAMA. By establishing simple, clear elements, requiring more thorough analysis of land suitability and creating management topics to guide the development of local policies, the quality of land-use plans will be much improved.

However, the key to this success is that each locality has financial and technical assistance available to revise and implement their local land-use plan. The amount of financial assistance available to localities through the CAMA Local Planning and Management Grants Program for land-use plan updates and implementation projects has been reduced. This has resulted in a delayed schedule for updates. In addition, the financial incentive for completing an advanced core plan has been eliminated. In order for all localities to have the opportunity to strive toward an advanced core plan and to incorporate the new guidelines for core land-use plans, the financial assistance will need to be restored. Finally, because this process is new and requires training to implement, continued dedication of DCM staff to assisting localities is important to the successful implementation of the land-use planning guidelines.

5. PROGRAM SUGGESTION: As funding permits, DCM is encouraged to restore financial assistance under the CAMA Local Planning and Management Grants Program to allow local governments to support the review and update of land-use plans under the new Land-Use Plan Guidelines. DCM is also encouraged to identify additional sources of funding to help support plan revisions and implementation.

E. RESOURCE MANAGEMENT OR ENHANCED MANAGEMENT OF COASTAL RESOURCES AND DEVELOPMENT

Coastal Shoreline Rule

In recent years the coastal region has been subject to several problems related to pollution from stormwater runoff. Algal blooms, fish kills, sediment plumes and shellfish closures were the result of upland pollutants finding their way into the state's coastal waters. Research has shown that a major factor in these problems is impervious surfaces, such as parking lots, housing developments and roads. Runoff is not filtered but channeled directly into coastal waters.

In 2000, DCM updated and strengthened its rules for shoreline areas by establishing a 30-foot buffer for any new development along any navigable waterway in the 20 coastal counties, excluding oceanfront (which already has setback requirements). The new rules are designed primarily to protect water quality, as the buffers will help filter sediment and other pollutants that run off from impervious areas such as roads and houses. Water-dependent structures, such as boat ramps, are allowed within the buffer, as are certain other activities that have been determined not to harm water quality.

The 30-foot buffer requirement came about after more than two years of CRC discussions concerning ways to increase the protection of coastal water quality. In an unanimous vote in March 1999, the CRC chose to set aside an earlier proposal which would have called for a 75-foot buffer and other coastal shoreline standards and focus instead on the 30-foot buffer requirement. The CRC and DCM sought extensive public comment on the proposed buffer rules during the summer months, conducting 40 public hearings in coastal counties. Nearly 400 people commented on the rules, voicing opinions both for and against. The CRC adopted the rules in November 1999 after adding exceptions and other language recommended during the public hearing process.

Urban Waterfront Rule

In 2001, DCM adopted new rules that will help local communities in redeveloping their urban waterfront areas. The new rules allow the placement of new structures that are not water-dependent, such as decks, as well as expansion of existing structures that are already over water, as long as the structures will not negatively affect water quality, wetlands, or fish resources and habitat. Previously, waterfront rules did not allow for any such structures, regardless of circumstances. Recognizing the history of urban waterfront areas and their importance to the coastal economy, the CRC lessened the restrictions to allow coastal communities the opportunity to restore these waterfronts. These areas are exempted from the 30-foot buffer rule that is otherwise in effect along shorelines.

Sand Fences

In recent years, the amount of sand fencing along the North Carolina coast has grown significantly as property owners sought to protect their homes from storms and long-term beach erosion. As such, miles of sand fencing, some of which was improperly installed or neglected, now line the state's beaches. When properly installed, the fences help build dunes by trapping wind-blown sand. Improperly installed, these fences can impede public access to the beach and can trap or endanger sea turtles, their nests and hatchlings. Several beach communities have attempted to address the issue through sand-fencing ordinances, but the scope of the problem required state attention. Working in cooperation with the North Carolina Wildlife Resources Commission and the U.S. Fish and Wildlife Service, CRC developed new regulatory guidelines. In August 2002, the CRC enacted these new permit guidelines and exemption criteria for the installation of sand fences along the oceanfront.

Science Panel for Coastal Hazards

A number of participants in the evaluation process noted the Science Panel as a worthy accomplishment. Due to the series of severe hurricanes that hit the state from 1996 to 1998, CRC convened a Science Panel to assist staff in evaluating the issues posed by hurricanes and the need for shoreline management as it relates to hazards planning. The Panel also helps to develop and review recommendations for new policies and rules related to coastal hazards to be presented to the CRC. The panel consists of 10-12 volunteer members, mostly academics and/or scientists. They are serving at the behest of the CRC. Given the increasing demand for policy decisions and regulations to be clearly based on sound science, having such a body enhances the credibility of the CRC and DCM.

Beach Renourishment

More than one-third of North Carolina's ocean shoreline has undergone, is currently undergoing, or is being evaluated for beach renourishment. Such extensive efforts have implications in terms of the adequacy and availability of sand resources; appropriate and equitable financing; and biological and physical impacts of dredging/sand mining (particularly from inlets) and sand placement. Further, while many of the projects have state and federal funding assistance, some localities are taking the initiative to pursue projects on their own when they cannot obtain other support. This raises concerns about ensuring appropriate management of such projects as well as coordination in terms of sand resources. During the site visit, a number of individuals interviewed or speaking at the public sessions cited concerns about there being an appropriate justification for nourishment projects, equitable management of the financial burden, standards for sand material, availability of sand supply and possible need to manage sand as a limited resource, and a need to properly assess potential biological and physical impacts.

DCM is already exploring some of these issues as a part of their 2001-2005 CZMA Section 309 Strategy, and should commit to following through on the projects identified under this strategy. Development of sand material standards and evaluation of available sand resources seem to be priority needs. DCM may wish to consider expanding the

work of the Science Panel, or possibly establish a new group or subcommittee, to help further define and support the effort. In spite of the many players and issues involved with beach renourishment, there is obviously a need for someone to take a leadership role and it is clear that some are looking to DCM to be that leader.

6. PROGRAM SUGGESTION: DCM should continue current efforts to evaluate the impacts and the State's management of beach renourishment projects to ensure a comprehensive approach to beach management. DCM may wish to consider the development of standards for sand materials, policies for dredging sand from inlets and assessment of available sand sources, among other issues.

Inlet hazard AEC

North Carolina's ocean shoreline contains 21 inlets. Regulations were developed pursuant to CAMA in 1978 that established inlet hazard AECs, which were delineated after a study of the migration patterns of each inlet. The inlet hazard AECs are now substantially out of date, with a number of the inlets having migrated in such a way that they are no longer aligned with the hazard area delineations. DCM is helping to support a study by NC State University (including a NOAA Coastal Services Center Fellow) to update the assessments of the inlets and adjacent shoreline features. The initial focus is on seven inlets that are of particular interest because of the presence of major roads, ferry terminals, or other significant infrastructure. The outcome of the NCSU work will be new maps and proposed inlet AECs. The rules themselves will also require update and revision to better reflect current understanding of the vulnerabilities of development posed by inlets, including from erosion, flooding and other adverse effects.

7. PROGRAM SUGGESTION: Once the Inlet Hazard AEC study is completed, DCM should present the new maps and AEC delineations to the CRC for consideration and adoption. If the process works as intended, efforts should be undertaken to complete similar work for the remaining 14 inlets. DCM should also evaluate the adequacy and effectiveness of the existing AEC rules, taking into account recommendations of the Science Committee, the CRC, and others, and develop and propose new rules as appropriate.

Estuarine Areas

As populations in oceanfront areas reach saturation, the estuarine areas of the coastal zone are becoming increasingly populated. This population shift includes not only new citizens but also citizens relocating from the more crowded oceanfront areas. To balance growth and resource protection, DCM should continue to work with localities in estuarine areas to develop and implement long-term land-use plans. DCM should focus on a more proactive approach to managing estuarine areas by applying lessons learned in oceanfront management as well as creating opportunities to better understand the pressures and

needs unique to the estuarine environment. While DCM has taken important steps to focus more on estuarine areas through the adoption of the 30-foot buffer rule and the development of “The Soundfront Series” to educate the public about estuaries, NOAA recommends that DCM continue to increase its focus on estuarine planning and management.

8. PROGRAM SUGGESTION: NOAA recommends that DCM continue to increase its focus on estuarine planning and management.

F. DATA INFORMATION ENHANCEMENT/TECHNOLOGY

Coastal Development Activity and Impact Tracking System (CDAITS)

CDAITS is an electronic database that tracks development activities and their impacts through permits. It provides DCM with increased ability to monitor cumulative and secondary impacts (CSI) under CAMA by more accurately capturing resource impacts. By collecting information on CSI using a standard format, information can be compiled to reveal trends and inform decisions. CDAITS also captures public access areas and allows for assimilation of support materials such as digital photos. By integrating digital photos, CDAITS can be used to follow up on what is actually built on the ground, thereby increasing the enforcement ability of field staff. Initial implementation of CDAITS is expected in Fall 2003, with future plans to make the system assessable to public querying and tracking of permits. Therefore, in addition to improving management by DCM, CDAITS will also eventually benefit the public and developers by allowing them to track a permit to determine where it is within the departmental approval process.

Wetland Maps

DCM is developing a comprehensive Wetlands Conservation Plan to improve the protection of freshwater wetlands in the state's 20 coastal counties. The plan consists of five key elements: mapping and inventory of wetlands; a functional assessment to rank wetlands according to important functions; policies to protect the most ecologically significant wetlands; and a procedure to identify and rank potential wetland restoration sites. The wetlands maps and data, much of which is currently available to local governments for land-use planning, will be used to monitor changes in wetland habitat and function and to help steer development toward appropriate, or less ecologically sensitive, areas. Currently, DCM has mapped wetlands in all 20 coastal counties, completed a functional assessment for most areas in the 20 coastal counties and begun restoration/prioritization projects in one county.

One important client for the Wetland Conservation Plan is the NCDOT. With roads as the largest threat to wetlands in North Carolina, DCM helps NCDOT minimize impacts of highway construction by providing NCDOT with more information about the location and functional rank of wetlands. By applying a buffer tool to the wetland maps, DCM and NCDOT can visually display wetlands that will be affected by planned roads and bridges. This allows NCDOT to assess alternative routes to minimize impacts and allows DCM to forecast mitigation needs before a transportation project begins. Using the

functional assessment of the Wetland Conservation Plan, DCM can view a GIS map of potential restoration sites to use for mitigation that will replace an impacted wetland's function in the watershed.

Erosion rate tracking

North Carolina first evaluated long-term average erosion rates for the state's 300-mile ocean coastline in 1979. DCM evaluates these erosion rates about every five years and uses them to determine setbacks for oceanfront construction. The most recently updated rates and maps, completed in 2003, are the most accurate to date and will allow DCM to make more informed decisions about setback distances for upcoming construction projects. The interactive 3-D contour maps, developed to show shoreline erosion rates for the entire coast, are more detailed and easier to read. Available on the DCM website, these maps provide the public with more information about erosion rates on their property and allows potential property owners and developers to make more educated decisions when building new structures on the oceanfront.

G. EDUCATION AND OUTREACH

NOAA commends DCM on its exemplary efforts to improve education and outreach. DCM's outreach activities focus on enhancing the visibility of North Carolina's environmental issues and NCCMP. DCM uses print and electronic media as well as personal contact to educate and inform the public about the state's coastal resources and accessibility, as well as about management efforts. Office representatives regularly attend public events to improve the visibility of DCM and its mission. Below are a few of the activities that have taken place during this evaluation period:

CAMA 25th Anniversary – On September 8, 1999 the DCM, CRC and Advisory Committee celebrated the 25th Anniversary of the passing of the NC Coastal Area Management Act (CAMA), which established the NCCMP as the planning and regulatory program for the state's coastal region. Over 200 people attended the celebration that took place in New Bern. The event included former chairmen of the CRC and former DCM directors. NOAA leadership was in attendance as were primary sponsors of the 1974 CAMA legislation.

DCM Web site -The NCCMP has excelled in the area of technical capabilities for communication and outreach. DCM has developed, designed, installed and internally maintained a user-friendly web site. This web site provides the public with up-to-date information on coastal issues including changes in CAMA permitting requirements. A unique feature of the website is the hurricane checklist and contact list for local governments who need to take quick and decisive actions requiring CAMA permitting or authorization.

The CAMAgram, a newsletter that reports on the current activities of DCM and other coastal issues, is now exclusively available on the DCM web site. Previously this newsletter was available in hardcopy and mailed to constituents, state and local

governments and others. Due to budgetary issues, printing of this newsletter had been halted. Now available via web access, over 500 subscribers are now notified of CAMAgram availability by email and many more view this newsletter through the web site.

Estuary Live – The North Carolina National Estuarine Research Reserve (NCNERR) education staff brought North Carolina's coasts, estuaries and the National Estuarine Reserve System to the world in September 2001 with "Estuary Live 2001." The project used wireless video transmission and Internet technology to enable thousands of pre K-16 students to the reserve sites. The field trips were webcast (real-time, live streaming video) from Carrot Island, and consecutively throughout the day from other reserves around the coastal U.S. Students on site were videotaped and broadcast live while they explored estuarine mud flats, beaches, marsh grasses and examined "critters." More than 20,000 viewers watched these interactive webcasts throughout the day, and many emailed questions and observations to groups on site. NOAA and EPA have adapted and supported the "Estuary Live" program to showcase National Estuarine Research Reserves and National Estuary Programs across the country. North Carolina has been the host site for these broadcasts, which have been viewed by millions around the world in the past three years.

Disaster Response Plan and Procedures Manual June 2000 – Since the last 312 evaluation, which noted the exceptional response of the DCM to hurricanes and other storm events, DCM has developed the "Disaster Response Plan & Procedures Manual" to improve the Division's efficiency in preparing for and responding to natural disasters. The manual, intended for DCM staff, provides guidance on issues such as accessing private property to inspect storm damage, the methods used to determine repair vs. replacement of habitable and accessory structures, and methodology used to determine the first line of stable vegetation. The manual memorializes and governs decisions prior to and immediately following major storm events.

H. NORTH CAROLINA COASTAL RESERVES AND NATIONAL ESTUARINE RESEARCH RESERVE (NCNERR)

Stewardship – Land Acquisition

During the review period the state was extremely active in the acquisition of significant coastal areas to be incorporated into the state's Coastal Reserve Program. These acquisitions included Bird Island – an undeveloped spit of land in southern Brunswick County near Sunset Beach. The 1,300 acres of beach, marsh and wetlands is used by several threatened or endangered species, including Kemp's Ridley and loggerhead sea turtles, piping plovers, wood storks and black skimmers. Funding for this acquisition, totaling \$4.2 million, was provided to the DCM through the North Carolina Clean Water Management Trust Fund, Natural Heritage Trust Fund and NCDOT.

Using funds provided through the North Carolina Clean Water Management Trust Fund, Natural Heritage Trust Fund and U.S. Fish and Wildlife Service, totaling \$6.8 million, DCM acquired the Buckridge tract on the Alligator River in Tyrrell County as the ninth site in the NC Coastal Reserve. At more than 18,000 acres, the Emily and Richardson Preyer Buckridge component is both the largest single property in the Coastal Reserve and its first inland site. Located approximately 15 miles south of Columbia in Tyrrell County, the site is situated between the Alligator River and Pocosin Lakes National Wildlife Refuges. The Reserve site is part of the East Dismal Swamp, a wetlands complex that encompasses more than 320,000 acres in Dare, Tyrrell and Washington counties. The majority of the site contains non-riverine swamp forest with patches of peatland, Atlantic white cedar forests and pond pine woodlands. In July 2000, the property was dedicated and formally named the Emily and Richardson Preyer Buckridge Coastal Reserve in honor of the Greensboro couple that championed many environmental causes in the state. The reserve is part of Tyrrell County's ecotourism economic development efforts.

Lastly, in 2002 DCM purchased a conservation easement for Roper Island, located along the Alligator River near the border of Hyde and Tyrrell Counties. The Alligator River on its northern and western sides and the Atlantic Intracoastal Waterway to the east border the triangular island. This 8,270-acre undeveloped island contains a large area of swamp forest, pond pine pocosin, peatland Atlantic white cedar forest and tidal cypress-gum swamp. The southwestern portion of the island contains low-salinity and freshwater marshes. The island plays a role in maintaining the high water quality of the Alligator River. The island will become part of the Emily and Richardson Preyer Buckridge Coastal Reserve.

Acquisition of these properties, totaling 27,570 acres, has boosted the total amount of land and marsh preserved by the program to 40,000 acres at 10 sites along the coast.

Coastal Communities Services

Efforts to reach an array of individuals interested in coastal issues have been enhanced by the NCNERR's Coastal Communities Services. Accessible through the NCNERR website, an information clearinghouse has been developed to provide the public with easy access to additional information about coastal environmental topics. Technical paper series and corresponding brochures have been developed on a number of topics. These include:

- *Septic Systems in Coastal North Carolina: Basics for a Healthy Environment*
- *Stormwater Runoff from Impervious Surfaces*
- *Vegetated Buffers: Improving Environmental Quality in Coastal North Carolina*
- *Using Microbial Metabolism to Assess Ecological Function of a Saltmarsh*

Finally, the NCNERR and DCM staffs work together to hold coastal decision-maker workshops for local government officials on a variety of coastal topics. These workshops are designed to address current science and management issues by presenting practical information on coastal management problems. These workshops have discussed the

importance of vegetated buffers to prevent erosion and water pollution, the role of estuaries as habitat for shellfish, and conservation of flyways for migratory birds. Both programs have worked together to assess the needs of local decision makers in different regions of the state's coast. Using these assessments the two staffs are preparing a strategy to deliver information and training needs to those decision makers.

I. PARTNERSHIPS

The partnerships formed between DCM and other state agencies, local governments, nongovernmental organizations, universities, and community groups provide DCM with opportunities to increase public outreach and education, improve public access, and enhance management strategies. These coordinated efforts yield high quality results and allow DCM to use limited resources most efficiently and effectively. The following collaborative activities highlight DCM's success in establishing strong partnerships and increasing project success.

Sea Grant

Working in collaboration with NC Sea Grant and NC State University's College of Design, DCM developed "*The Soundfront Series*," a set of four publications about issues related to the state's estuaries. As use and development of land area bordering estuarine waters increase, these educational guides serve an invaluable role of educating local governments, planners, and coastal citizens about shoreline impacts by presenting information on issues including shoreline erosion, water quality, and resource protection. The guides were made available in August 2002.

NC Coastal Federation (NCCF)

In 1999, DCM facilitated meetings with the COE along with federal and state review agencies to develop a blanket permit for marsh enhancement/shoreline stabilization projects in North Carolina. The NC Coastal Federation and NC Sea Grant were issued CAMA and COE permits in 2000 to allow for 30 projects, which allow individual property owners to implement alternative shoreline stabilization under the blanket permit. Currently, 7 demonstration projects are underway. One project example, undertaken at the Duke University Marine Lab on Pivers Island, removed a degraded bulkhead on Gallants Channel and restored 700-feet of marsh through the planting of marsh vegetation and creation of a new oyster reef. These demonstration projects provide DCM, COE, and the other review agencies with a better understanding of the impacts of alternative shoreline stabilization projects to determine if specific types of projects would be appropriate candidates for the general permit process.

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NC State University

DCM is working with the NC State University's Center for Transportation and Environment on a study of the impact of inlet migration on transportation in the coastal zone. Inlet hazard areas were first delineated in 1978, with southern inlets hazard areas updated in 1981. With more than 20 years passed since the last update on inlet migration, DCM partnered with NC State to update inlet location and migration rates in order to update Inlet Hazard Areas, with the primary focus on inlets close to major highways and local roads.

NC Shore and Beach Preservation Association (NCSBPA)

Through CAMA grant funding, DCM has mapped many of the public beach and waterfront access ways in the state. More than 200 public access facilities along the coast are web accessible and include information about parking, restrooms and other facilities. In an effort to provide a more comprehensive list, DCM has partnered with the Shore and Beach Association to map private and other public access sites along the coast. To create a seamless data set, NCSBPA will gather information on the remaining access sites using DCM protocols. This coordinated effort will provide a complete mapping of North Carolina's public coastal access sites. Knowledge of both public and private access sites will improve DCM's ability to assess their public access needs along various portions of the coast and will provide an invaluable asset to coastal visitors and citizens. The completed public access guide, including an interactive map which allows users to query access sites by location, parking, and amenities, is available online.

Elizabeth City State University (ECSU)

DCM is partnering with ECSU's Department of Geological, Environmental and Marine Sciences (GEMS) Remote Sensing Lab to conduct a three-year NOAA funded project entitled "*North Carolina Coastal Habitat Protection Plan Implementation Support through Directed Research and Remote Sensing*." Applications of remotely sensed data (both aerial photography and satellite imagery) are being used to better identify, quantify, protect and enhance critical fish habitats that support marine, estuarine and anadromous fisheries, particularly in the northeastern region of North Carolina and the southeastern portion of Virginia. The project is a collaborative effort between the NOAA Fisheries, ECSU, DCM, and the North Carolina Division of Marine Fisheries (DMF). ECSU, a minority-serving institute, is collaborating with agencies within the DENR to develop appropriate implementation strategies as part of the Coastal Habitat Protection Plan (CHPP) process. DCM and ECSU plan to pursue future cooperative efforts in which remotely sensed data can inform management decisions.

Local government and municipalities

DCM awards about \$1 million a year in matching grants to local governments for projects to improve pedestrian access to the state's beaches and waterways. Funding for the Public Beach and Coastal Waterfront Access Program comes from the N.C. Parks and Recreation Trust Fund. Local governments may use access grants to construct low-cost public access facilities, including parking areas, restrooms, dune crossovers and piers. Projects range in size from small, local access areas to regional access sites with amenities such as large parking lots, bathrooms and picnic shelters. For example,

through this program the Town of Edenton was able to design, plan and construct a breakwater and pier using a recycled bridge and causeway to create a safe harbor for boats and serve as a pedestrian walkway for this small waterfront town. Towns and counties also may use the grants to replace aging access facilities. In addition, local governments can use the funds to help acquire land for access sites or to revitalize urban waterfronts.

J. COASTAL MANAGEMENT PROGRAM UPDATES

One function of §312 evaluations is to determine if changes have occurred in the program during the review period and whether those changes have been submitted to NOAA for processing as program amendments or routine program changes (RPC). NOAA's regulations define amendments as substantial changes in one or more of the following coastal management program areas: (1) uses subject to management, (2) special management areas, (3) boundaries, (4) authorities and organization, and (5) coordination, public involvement and the national interest. An RPC is a further detailing of a state's coastal management program that does not result in substantial changes to the program. OCRM has issued guidance to coastal states on requirements and submission procedures for changes to the federally approved coastal programs.

DCM is extremely delinquent in submitting program changes to NOAA for formal incorporation into the NCCMP. According to DCM and NOAA records, the last RPC submission was the incorporation of the coastal shoreline rules in August 2001 and subsequently approved by NOAA in September 2001. Furthermore, CRC-approved land-use plan updates have not been submitted to NOAA for review since the moratorium was imposed in 1998.

During the site visit it was apparent that there have been a number of changes to enforceable policies within the scope of the NCCMP during the review period. In the past, DCM would compile minor rule changes on a bi-annual or yearly basis for submission to OCRM for review and approval for inclusion into the approved NCCMP. This procedure has not taken place during the review period. The DCM should compile these and other adopted changes for incorporation into the approved NCCMP. In addition to being a statutory requirement of the CZMA, formal incorporation does have inherent value, particularly for states like North Carolina that effectively apply federal consistency.

NOAA has not emphasized North Carolina's need to prepare and submit program changes in the past due to staffing constraints both at DCM and at NOAA. Although DCM did develop a schedule for submitting program changes several years ago, the schedule needs to be updated. NOAA also realizes that DCM leadership is very aware of

the need to correct this deficiency and is encouraged by DCM's response to address the issue. DCM staff has already prepared a list of outstanding program changes and has begun working with NOAA's NCCMP Specialist to develop a timeline and a draft format for submittals, beginning with CAMA, which is the crux of NCCMP.

9. NECESSARY ACTION: DCM, working with OCRM, must develop a schedule for submitting outstanding program changes, including updated land-use plans, to OCRM for incorporation into the NCCMP within 90 days of receipt of the final findings.

K. FEDERAL CONSISTENCY

Under Section 307 of the CZMA, the DCM must review consistency determinations or certifications on project proposals that impact the state's coastal area to ensure that the projects are being conducted in a manner consistent with the state's approved management program. These activities include direct Federal actions, Federally funded activities, as well as activities that require a Federal permit or license. The basis for all consistency reviews of Federal actions is the enforceable program policies described in the NCCMP. These policies are administered through state permits, licenses, and plan review and approval requirements. Projects must be approved by agencies responsible for the enforceable policies in order to be consistent with North Carolina's coastal program.

During the review period DCM reviewed and responded to 250 to 300 consistency certifications or determinations, and approximately 300 Nationwide Permits administered by the COE per year. While a few objections were issued during the review period, all reviews were properly processed according to the procedures identified in the NCCMP. In those cases where projects were found inconsistent, the DCM has worked closely with the applicants and federal agencies involved to resolve issues and/or design projects so as to comply with state policies.

As with other elements of the NCCMP, the DCM has developed a computerized system to track projects under review for consistency. This system allows for DCM to record the projects; generate letters to reviewing agencies; generate letters of acknowledgment to applicants; document comments received; and, identify dates and deadlines for required actions in an extremely efficient manner. The database also allows for DCM to provide summary reports quickly and accurately on Federal consistency, as needed. DCM is commended for continuing to promote coordination of review and comments among the varying agencies and the customer assistance it provides to project applicants.

L. PUBLIC PARTICIPATION

Section 306(d)(14) of the 1990 Coastal Zone Act Reauthorization Amendments requires the submission of public participation procedures for consistency review to NOAA. NOAA issued guidance to the states in early June 1995. To date, North Carolina has not

provided a response to NOAA pursuant to these guidelines. Specifically, North Carolina has not outlined the actual procedures that they are using to solicit public comments on federal consistency reviews of direct federal activities performed by the NCCMP. This requirement is an outstanding issue from the previous program evaluation. It is clear that public input and participation is the very core of the NCCMP and DCM assured the evaluation team that procedures for meeting these requirements will be put in place. As discussed in the previous evaluation findings, a web-based announcement system for consistency actions may provide possible use of internet services as a means for meeting these requirements. Specific procedures will be developed and submitted to NOAA.

10. NECESSARY ACTION: DCM must submit the description of its public participation process, consistent with guidance published at 59 Federal Register 30339. This must be submitted with the first performance report following receipt of final findings.

M. COASTAL NONPOINT POLLUTION CONTROL PROGRAM

Section 6217 of the Coastal Zone Act Reauthorization Amendments of 1990 require that states with federally approved Coastal Management Programs develop Coastal Nonpoint Source Pollution Control Programs. During the period covered by this 312 review, DCM's progress for achieving full approval of its coastal nonpoint program was significant. On February 23, 1998, North Carolina received conditional approval. A number of conditions that spanned most major areas of the program (boundary, agriculture, urban, hydro-modification, marinas and recreational boating, and wetlands) were identified as conditions.

Inasmuch, the state substantially expanded its watershed protection efforts to create a more comprehensive program that combined several different approaches, including new planning initiatives at a basin scale that targeted impaired waters and new funding sources that made restoration of degraded waters and protection of pristine waters priorities. DCM ultimately was able to surmount the biggest hurdle—approval of its inspection and maintenance program for on-site disposal systems (OSDS). North Carolina was able to document how a number of different state programs, when taken together, could ensure that OSDS are inspected at a frequency adequate to determine if the systems are failing. Collectively, the programs, which include both regulatory and nonregulatory programs, accomplish inspections of more than 90 percent of the approximately 193,000 OSDSs throughout the 6217 management area over a 15-year period.

(NOTE: Since the site visit, in accordance with the five-year timeframe for meeting conditions for full approval, North Carolina's Coastal Nonpoint Source Pollution Program received full approval in June 2003. NOAA applauds DCM for its role in the development and implementation of North Carolina's Coastal Nonpoint Source Pollution Program.)

VI. CONCLUSION

Based upon the recent evaluation of NCCMP, I find that North Carolina is adhering to its approved Coastal Management Program and is making satisfactory progress implementing its provisions.

These evaluation findings contain ten (10) recommendations. These recommendations are in the form of two (2) Necessary Actions and eight (8) Program Suggestions. The state must address the Necessary Action by the date indicated. The Program Suggestions should be addressed before the next regularly scheduled program evaluation, but they are not mandatory at this time. Program Suggestions that must be repeated in subsequent evaluations may be elevated to Necessary Actions.

This is a programmatic evaluation of NCCMP that may have implications regarding the state's financial assistance awards. However, it does not make any judgment on or replace any financial audits related to the allowability or allocability of any costs incurred.

Eldon Hout
Director

Date

VII. APPENDICES

APPENDIX A. RESPONSE TO 1997 EVALUATION FINDINGS

1. PROGRAM SUGGESTION: DCM should consider evaluating its existing authority and the effectiveness of current CMA rules to protect natural resources and public interests. The DCM should evaluate the effects of altering the current estuarine system Areas of Environmental Concern (AEC) boundary definitions, specifically estuarine Shoreline ACEs. The DCM should propose recommendations and CAMA rule modifications to the CRC for consideration and adoption.

In 2000, DCM updated and strengthened its rules for shoreline areas by establishing a 30-foot buffer for any new development along any navigable waterway in the 20 coastal counties, excluding oceanfront. The new rules are designed primarily to protect water quality, as the buffers will help filter sediment and other pollutants that run off from impervious areas such as roads and houses.

2. PROGRAM SUGGESTION: DCM should continue current efforts to improve implementation of land-use plans and consistency of local ordinances with land-use plan policies, taking into account recommendations of the Coastal Futures Committee and other ideas generated from the CRC.

During the review period, DCM committed the necessary investment of time and effort to revise the land-use planning process. Local government representatives indicated that the new rules are less complicated, better tailored to local governments' needs and more in line with the goals of CAMA. Please refer to Section V-D of these findings.

3. NECESSARY ACTION: DCM must document the enforcement mechanism for local land-use plan policies in consistency letters when those policies are the basis for DCM's consistency decisions. DCM must work with OCRM to ensure complete inclusion of previously updated and amended local land-use plans into the NCCMP. DCM must contact OCRM within 60 days of receipt of the final evaluation findings to develop a schedule for submitting updated land-use plans to OCRM for incorporation into the NCCMP.

CRC-approved land-use plan updates have not been submitted to NOAA for review since the moratorium was imposed in 1998. As a result, this Necessary Action has been carried over to this document. Please refer to Section V- J.

4. NECESSARY ACTION: DCM must submit the description of its public participation process, consistent with guidance published at 50 Federal Register 30339. This must be submitted within three months of receipt of final findings.

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This Necessary Action has yet to be fulfilled. As a result, this Necessary Action has been carried over to this document. Please refer to Section V-L.

5. NECESSARY ACTION: DCM must submit the required documentation to NOAA/OCRM for formal incorporation of regulatory and programmatic changes into the approved NCCMP. In conjunction with Necessary Action 3 (land-use plan updates) DCM must contact OCRM within 60 days of receipt of the final evaluation findings to develop a schedule for submitting outstanding changes to OCRM for incorporation into the NCCMP.

This Necessary Action has yet to be fulfilled. As a result, this Necessary Action has been carried over to this document. Please refer to Sections V-J.

6. NECESSARY ACTION: DCM must improve their procedures for submitting required performance reports and work products on time, as required by the special award conditions of the federal financial assistance awards. DCM must submit all overdue performance reports to OCRM within 3 months (90 days) of receipts of final findings.

DCM has fulfilled this Necessary Action. The quality of performance reports has significantly improved and both reports and work products are submitted on time. No overdue reports existed at the time of the site visit. NOAA commends the DCM staff for the efforts that have been put forth.

APPENDIX B. PERSONS AND INSTITUTIONS CONTACTED

State of North Carolina Governor and Congressional Delegation		
Mike Easley		Governor
Elizabeth Dole		U.S. Senator
John Edwards		U.S. Senator
Frank Balance		U.S. Congressman
Walter Jones		U.S. Congressman
Mike McIntyre		U.S. Congressman
David Price		U.S. Congressman

North Carolina Coastal Management Program Representatives		
Steve Benton	Coastal Hazards Specialist	DCM
Ed Brooks	Minor Permit Program Coordinator	DCM
Becky Burcham	GIS Analyst	DCM
Roy Brownlow	Compliance Coordinator	DCM
Doug Coker	Education Assistant	DCM/NCNERR
Lori Davis	Outreach Coordinator	DCM/NCNERR
Pam Deal	Education Assistant	DCM/NCNERR
Michele Droszcz	Northern Sites Manager	DCM/Coastal Reserves
Kara Hastings	Cumulative Impacts Analyst	DCM
Doug Huggett	Permits & Consistency Manager	DCM
Frank Jennings	Field Representative	DCM
Charles Jones	Assistant Director	DCM
Julia Knisel	NOAA CSC Fellow	DCM/NCSU
Whitney Kurz	Coastal Decision Maker Educator	DCM/NCNERR
Brian Long	Public Information Officer	DCM
Susan Lovelace	Education Coordinator	DCM/NCNERR
Donna Moffitt	Director	DCM
Steve Ross	Research Coordinator	DCM/NCNERR
Ted Sampson	District Manager	DCM
Amy Sauls	Educator	DCM/NCNERR
Josh Shepherd	MIS Manager	DCM
Guy Stefanski	Strategic Planning Manager	DCM
John Taggart	Manager	DCM/NCNERR
John A. Thayer, Jr.	Field Representative	DCM
Steve Underwood	Assistant Director	DCM
Kathy Vinson	Planning & Public Access Manager	DCM
Woody Webster	Buckridge Site Manager	DCM/Coastal Reserves
Kelly Williams	Wetlands Specialist	DCM

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Coastal Resources Commission		
Bob Barnes		Financing
Pricey Harrison		At-Large
Peggy Griffin		Local Government
Courtney Hackney	Vice Chair	Marine Ecology
Larry Pittman		Wildlife/Sportfishing
Melvin Shepard		Marine Business
Gene Tomlinson	Chair	Coastal Engineering
Joan Weld		Conservation
Lee Wynns		Commercial Fishing

State of North Carolina Representatives		
Bill Ross	Secretary	DENR
Rick Shiver		NC Division of Water Quality
Mike Street		NC Division of Marine Fisheries

Federal Agency Representatives		
Ken Jolly	Chief of Regulatory	U.S. Army Corps of Engineers
Trudy Wilder	Environmental Resources Section	U.S. Army Corps of Engineers

Local Government Representatives		
J.D. Brickhouse	County Administrator	Tyrrell County
Bill Farris	Planning Consultant	
William "Buck" Fugate	Mayor	Indian Beach
Anne-Marie Knighton	Town Manager	Town of Edenton
Katrina Marshall	Planning & Inspection	Carteret County
Chris O'Keefe	Planner	New Hanover
Rudi Rudolph	Shore Protection Manager	Carteret County
Bob Shupe	Commissioner	OIB
Harry Simmons	Mayor	Caswell Beach
Dave Weaver	Assistant County Manager	New Hanover County

Academic Representatives		
John Fisher	Professor	NC State University
Linda Hayden	Professor	Elizabeth City State University
Carolyn Mahoney	Dean	Elizabeth City State University

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Liz Noble	Project Coordinator	Elizabeth City
	Remote Sensing Lab	State University
Margery Overton	Professor	NC State University
Spencer Rogers		NC Sea Grant
Dr. Francisco San Juan, Jr.	Professor	Elizabeth City
		State University

Nongovernmental Organization Representatives		
Donna Girardot	CEO	Business Alliance for Sound Economy
Todd Miller	Executive Director	NC Coastal Federation
Carey Disney Ricks	Director of Legislative & Political Affairs	Business Alliance for Sound Economy

APPENDIX C. PERSONS ATTENDING THE PUBLIC MEETINGS

Wilmington, North Carolina - Monday, March 10, 2003

Name	Affiliation
Jerry Berne	Sustainable Shorelines
Courtney Hackney	Coastal Resources Commission
Jan Harris	Brunswick Environmental Action Team
James Rosich	DCM
Melvin Shephard	Coastal Resources Commission
Tillie Shephard	Private Citizen
John Taggart	NCNERR
Katherine Thompson	Office of Congressman Mike McIntyre
Sue Weddle	Sunset Beach Taxpayers Association
Joan Weld	Coastal Resources Commission

Beaufort, North Carolina – Tuesday, March 11, 2004

Name	Affiliation
Dick Bierly	Carteret County Crossroads
Tony Castaque	CERF
Doug Coker	NCNERR
John Davis	Crystal Coast Canoe & Kayak
Lori Davis	NCNERR
Marianne Davis	CERF
Pam Deal	NCNERR
Christopher Freeman	Geodynamics, LLC
Sloan Freeman	Geodynamics, LLC
Irving Hooper	Carteret County Crossroads
Kenwood	Private Citizen
Whitney Kurz	NCNERR
Susan Lovelace	NCNERR
Don E. Morris	Coastal Federation
Amy Sauls	NCNERR
Terry Snider	Coastal Federation
Mike Street	NC Division of Marine Fisheries
James N. Willis, III	Private Citizen

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Manteo, North Carolina - Wednesday, March 12, 2003

Name	Affiliation
Bob Barnes	Coastal Resources Commission, Member
John DeBlieu	NC Coastal Federation
Fred Feartherstone	Town of Manteo
Ernie Foster	Private Citizen
Kent Priestley	Coastland Times
Ted Sampson	NC DCM
Ricki Sheperd	Private Citizen
Robert Teagarden	Private Citizen
John Wilson	Private Citizen

APPENDIX D. RESPONSE TO WRITTEN COMMENTS

NOAA received a number of written comments regarding the NCCMP. Comments are summarized below and followed by NOAA's response.

Jerry Berne
Sustainable Shorelines, Inc.
Charlotte, North Carolina
(written comments presented at the public meeting in Wilmington, NC)

Comment: Mr. Berne wrote of his concern with the continuing loss of coastlines. He identified "current policies and practices are accelerating this process." He specifically references dredging projects, beach renourishment activities and traditional erosion control structures, such as seawalls and jetties, as factors.

NOAA's Response: No response necessary.

Comment: Mr. Berne states that the crisis is mostly man-made. He believes both "NOAA's and DCM's failure to recognize this is furthering the loss of...shorelines and coastal ecosystems these sustain." He further states that retreat is not the answer. He believes that "we must mitigate ...loss as we would any other manmade environmental problem....<and>... implement those options show to be sustainable."

NOAA's Response: No response necessary.

Comment: Mr. Berne encourages NOAA and DCM to recognize and respond to all hazards threatening our coasts and adopt a new environmentally sound and sustainable methods to combat these hazards.

NOAA's Response: No response necessary.

Richard H. Bierly
Carteret County Crossroads/North Carolina Coastal Federation
Morehead City, North Carolina
(written comments presented at the public meeting in Manteo, NC)

Comment: Mr. Bierly offered two observations and recommendations. He indicated that the coastal waters of North Carolina continue to suffer from degradation. He points out that primary and key indicator is the closing of shellfish waters and at other times, the closure of most coastal waters. He believes that DCM does the "best they can" given the constraints they operate under, however he feels that the interpretation of the rules are quite narrow or limited.

NOAA's Response: No response necessary.

Comment: Mr. Bierly outlined the obstacles to “arresting the decline in...water quality” and efforts to improve it. Overall he believes that there is 1) a lack of technical knowledge on the part of policymakers at all levels; 2) economic development is the preference of elected officials; and 3) decisions are based on politics versus good science.

NOAA’s Response: No response necessary.

Comment: Mr. Bierly applauds the cooperative efforts that DCM and the State’s Universities have engaged in addressing “marine science research and conservation.” He suggested that DCM and the academic institutions develop a pilot training program that focuses on educating elected officials from coastal regions, especially members of the General Assembly.

NOAA’s Response: NOAA commends DCM for the longstanding partnerships they have established with the academic community and state universities. As indicated in these finding, these relationships provide DCM with opportunities to increase public outreach and education. Furthermore, DCM, through the NCNERR, holds coastal decision-maker workshops for local government officials on a variety of coastal topics. These workshops are designed to address current science and management issues by presenting practical information on coastal management problems. NOAA encourages DCM to consider these workshops as a training opportunity for additional elected officials at all levels.

Comment: Finally, Mr. Bierly discussed the need for DCM to be more involved in reviewing major projects that may affect coastal resources, even if they may be located outside the DCM jurisdictional boundaries. He specifically referenced large commercial projects on the western edge of Morehead City.

NOAA’s Response: NOAA agrees with this comment. As a result of the site visit and comments received, Program Suggestion #3, NOAA encourages DCM to seek out mechanisms to better coordinate with other state and federal agencies that issue or review permits affecting the coast.

John Fussell
Morehead City, North Carolina

Comment: Mr. Fussell letter focused on the definition of coastal wetlands. He believes the definition is “quite vague... and that actual field delineations of coastal wetlands are based on “narrow, restrictive interpretation of the statutory definition.” He believes that a “broader interpretation of the definition of coastal wetlands would lead to wider protective buffers bordering the estuaries, especially from Carteret County northward.”

NOAA’s Response: As noted above, DCM would benefit from seeing the larger picture of activities in the state that may affect the coastal zone, thus DCM is encouraged to take

a leadership role in coordinating with other state and federal agencies that issue or review permits for projects that may affect the coast. Also described in these findings, NOAA commends CRC and DCM for taking steps that address resource management needs through rule updates, guidelines and employing the experts in science to advise in the development of policy and regulations. In Program Suggestion #8 NOAA recommends that DCM continue to increase its focus on estuarine area planning and management.

Jan Harris

Brunswick Environmental Action Team

South Brunswick, North Carolina

(written comments presented at the public meeting in Wilmington, NC)

Comment: Ms. Harris believes that DCM is ineffective in many ways. She indicates, “regulations are too limited to adequately protect the environment.” Ms. Harris specifically makes reference to the “weakening” of the shoreline buffer rule and overturned swimming pool rule. Both she believes would provided additional protection to coastal resources. She praised the public participation component of the process but was dismayed by the final results.

NOAA’s Response: As described in these findings, NOAA commends CRC and DCM for taking steps that address resource management needs through rule updates, guidelines and employing the experts in science to advise in the development of policy and regulations. In Program Suggestion #8 NOAA recommends that DCM continue to increase its focus on estuarine area planning and management.

Comment: Ms. Harris believes that “there are no regulations to address a practice that is damaging to the environment.” She writes that the state has no rules or regulations for the mining of sand from its inlets and the need to address beach nourishment through a thoughtful and science-based process is necessary.

NOAA’s Response: As a result of this site visit and public comments, it is clear to both NOAA and DCM that beach renourishment projects need appropriate management as well as coordination in terms of sand resources. Projects have implications in terms of the adequacy and availability of sand resources; appropriate and equitable financing; and biological and physical impacts of dredging/sand mining (particularly from inlets) and sand placement. In Program Suggestion #6, NOAA encourages DCM to evaluate the impacts and the State’s management of beach renourishment projects to ensure a comprehensive approach to beach management. DCM is also encouraged to develop standards for sand materials, policies for dredging sand from inlets and assessment of available sand sources, among other issues.

Comment: Ms. Harris also believes that “the EA/EIS process is fundamentally flawed.” She feels that the process has a built in conflict of interest in that a firm that conducts an EA/EIS is often hired by the interest seeking the permit. Ms. Harris specifically references a proposal to mine sand from Old Sound Creek that was initially issued a

FONSI. After extensive research and comment by numerous groups, the FONSI was withdrawn and an EIS deemed a requirement. She believes that DCM does not fully evaluate the information provided and the EA/EIS process needs to be revamped.

NOAA's Response: It is NOAA's understanding that after the State Clearinghouse process, DCM did require additional information from the applicant. This information was received, reviewed and let DCM to determine that an EIS was appropriate.

Comment: Finally, Ms. Harris believes that "the regulations are not enforced or enforcement is too feeble and fines are too small to change behavior."

NOAA's Response: It is NOAA's understanding that DCM, through DENR, is presently working with the General Assembly to increase the maximum fines for civil penalties for unpermitted work.

Don E. Morris

Newport, North Carolina

(written comments presented at the public meeting in Manteo, NC)

Comment: Mr. Morris believes that since the passage of the CAMA, "rapid development along ocean beaches and public trust waters has continued with very little adherence to the goals of the CZMA." He specifically believes that the CAMA and federal government have failed to follow national policy to "minimize the loss of life and property caused by improper development in flood prone, storm surge, geological hazard, and in areas likely to be affected by or vulnerable to sea level rise."

NOAA's Response: NOAA fully supports DCM's continued implementation of the federally approved NCCMP, which is based on the Coastal Area Management Act. Through periodic performance reviews or evaluations, as required by the CZMA of 1972, as amended, NOAA has found the NCCMP to be in compliance with the CZMA and CAMA. However, DCM and NOAA readily recognize that development and other pressures that continue to affect the coast are numerous. NOAA commends the CRC and DCM for taking a leadership role and taking the necessary steps that address resource management needs through rule updates, guidelines and employing the experts in science to advise in the development of policy and regulations. NOAA also encourages DCM to continue to expand its leadership on key issues such as coastal hazards.

Comment: Mr. Morris writes that beach nourishment projects are poorly managed, including the monitoring of the quality of sand being used in these projects. He further believes that these projects do not encourage oceanfront property to retreat.

NOAA's Response: As noted previously in this section, it is clear to both NOAA and DCM that beach renourishment projects need appropriate management as well as coordination in terms of sand resources. Projects have implications in terms of the adequacy and availability of sand resources; appropriate and equitable financing; and

biological and physical impacts of dredging/sand mining (particularly from inlets) and sand placement. In Program Suggestion #6, NOAA encourages DCM to evaluate the impacts and the State's management of beach renourishment projects to ensure a comprehensive approach to beach management. DCM is also encouraged to develop standards for sand materials, policies for dredging sand from inlets and assessment of available sand sources, among other issues.

Comment: Mr. Morris writes of his concern about adequate public access to the coast, including those areas that are inaccessible due to lack of parking, facilities or denied access due to private community development.

NOAA's Response: DCM awards about \$1 million a year in matching grants to local governments for projects to improve pedestrian access to the state's beaches and waterways. Funding for the Public Beach and Coastal Waterfront Access Program comes from the N.C. Parks and Recreation Trust Fund. Local governments may use access grants to construct low-cost public access facilities, including parking areas, restrooms, dune crossovers and piers. Projects range in size from small, local access areas to regional access sites with amenities such as large parking lots, bathrooms and picnic shelters. Towns and counties also may use the grants to replace aging access facilities. In addition, local governments can use the funds to help acquire land for access sites or to revitalize urban waterfronts.

NOAA also applauds the efforts that have made by DCM to map public beach and waterfront access way and provide detailed information about what amenities are available at each site. This public access guide, including an interactive map, was developed in partnership with the Shore and Beach Association and is available online.

APPENDIX E. SUMMARY OF TABLE ACCOMPLISHMENTS

Issue Area	Accomplishments
Program Administration	DCM is very successful in its coordination with other programs both within DENR as well as with external federal, state, local, academic, industrial and private agencies and organizations. During the site visit the evaluation team received numerous compliments on the responsiveness and accountability of DCM staff at the field and headquarters level. The accessibility of staff, while sometimes limited by budget constraints, was a reoccurring note of praise.
Staffing	<p>DCM has taken a number of proactive steps to increase its program effectiveness. In a time of lean budgets, DCM has been able to place emphasis on providing better services to local governments and the public. This has been achieved through a number of critical staff positions.</p> <p>Through years of cooperative partnerships, DCM has been able to educate, empower and network with municipal staff to build local capacity and provide state level support on technically complex or politically sensitive issues. NOAA commends DCM for the technical assistance and services that it provides to North Carolina's coastal county and local governments and encourages it to continue these efforts to the greatest extent practicable.</p>
Permitting	NOAA commends DCM for the significant reductions in permit processing time, increased site visits, general permit development and other streamlining efforts, despite staffing shortfalls and increased permit applications.
Land-Use Planning	NOAA commends DCM for committing the necessary investment of time and effort to revise the land-use planning process. During the evaluation site visit, local government representatives indicated that the new rules are less complicated, better tailored to local governments' needs and more in line with the goals of CAMA. By establishing simple, clear elements, requiring more thorough analysis of land suitability and creating management topics to guide the development of

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	<p>local policies, the quality of land-use plans will be much improved.</p>
Resource Management	<p>DCM continues to address resource management needs through rule updates, guidelines and employing the experts in science to advise in the development of policy and regulations.</p> <p><i>Coastal Shoreline Rules</i> DCM updated and strengthened its rules for shoreline areas by establishing a 30-foot buffer for any new development along any navigable waterway in the 20 coastal counties, excluding oceanfront. The new rules are designed primarily to protect water quality, as the buffers will help filter sediment and other pollutants that run off from impervious areas such as roads and houses.</p> <p><i>Urban Waterfront Rule</i> In 2001, DCM adopted new rules that will help local communities in redeveloping their urban waterfront areas. The new rules allow the placement of new structures that are not water-dependent, such as decks, as well as expansion of existing structures that are already over water, as long as the structures will not negatively affect water quality, wetlands, or fish resources and habitat.</p> <p><i>Sand-Fences Guidelines</i> The CRC has developed guidelines for the installation of sand fences along the oceanfront.</p> <p><i>Science Panel for Coastal Hazards</i> The Science Panel helps to develop and review recommendations for new policies and rules related to coastal hazards to be presented to the CRC. The panel consists of 10-12 volunteer members, mostly academics and/or scientists and serves at the behest of the CRC.</p>
Data Information Enhancement/Technology	<p>DCM has developed innovative electronic permit data and document retrieval capabilities. DCM creatively uses information technology to increase program efficiency.</p> <p><i>Coastal Development Activity and Impact Tracking System (CDAITS)</i> CDAITS is an electronic database that tracks</p>

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	<p>development activities and their impacts through permits. It provides DCM with increased ability to monitor cumulative and secondary impacts (CSI) under CAMA by more accurately capturing resource impacts.</p> <p><i>Wetland Maps</i> DCM is developing a comprehensive Wetlands Conservation Plan to improve the protection of freshwater wetlands in the state's 20 coastal counties.</p> <p><i>Erosion rate tracking</i> Interactive 3-D contour maps, developed to show shoreline erosion rates for the entire coast, are detailed and easy to read. Available on the DCM website, these maps provide the public with more information about erosion rates on their property and allows potential property owners and developers to make more educated decisions when building new structures on the oceanfront.</p>
Education and Outreach	<p>NOAA commends DCM on its exemplary efforts to improve education and outreach. DCM's outreach activities focus on enhancing the visibility of North Carolina's environmental issues and NCCMP.</p>
NCNERR & Coastal Reserves	<p><i>Stewardship – Land Acquisition</i> During the review period the state was extremely active in the acquisition of significant coastal areas to be incorporated into the state's Coastal Reserve Program. These acquisitions included Bird Island and Buckridge tract on the Alligator River in Tyrrell County.</p> <p><i>Coastal Communities Services</i> Efforts to reach an array of individuals interested in coastal issues have been enhanced by the NCNERR's Coastal Communities Services. Accessible through the NCNERR website, an information clearinghouse has been developed to provide the public with easy access to additional information about coastal environmental topics.</p>
Partnerships	<p>The partnerships formed between DCM and other state agencies, local governments, nongovernmental organizations, universities, and community groups provide DCM with opportunities to increase public outreach and education, improve public access, and</p>

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	enhance management strategies. These coordinated efforts yield high quality results and allow DCM to use limited resources most efficiently and effectively.
Coastal Nonpoint Pollution Control Program	In accordance with the five-year timeframe for meeting conditions for full approval, North Carolina's Coastal Nonpoint Source Pollution Program received full approval in June 2003.

APPENDIX E. SUMMARY TABLE OF RECOMMENDATIONS

#	PS/NA	Recommendations
1	PS	The current structure of DCM - administration, policy analysis, strategic planning and geographic information systems sections located in Raleigh and field offices, or coastal offices of DCM, located in Elizabeth City, Washington, Morehead City and Wilmington – present an effective, well-coordinated and responsive NCCMP. The relocation of DCM leadership to the coast or field office could disrupt DCM's operations and create barriers that will inhibit effective communication and coordination for the protection of natural resources in the State of North Carolina, particularly with other major state programs and agencies, headquartered in Raleigh. Therefore, NOAA strongly recommends that advantages and disadvantages that may be associated with of any future reorganization of DENR be given careful consideration. In particular, when evaluating a move, DENR should consider how coordination functions will be maintained.
2	PS	NOAA encourages DCM and DENR to continue to support positions that sustain NCCMP planning, permitting and enforcement tasks. These positions - minor permit program coordinator and compliance and enforcement coordinator, senior planner and district planner - are essential to the implementation of the NCCMP at both the local and state level.
3	PS	DCM is encouraged to seek out mechanisms to better coordinate with other state and federal agencies that issue or review permits affecting the coast. It is recommended that quarterly meetings be an avenue for initial coordination and collaboration.
4	PS	While the express permitting process does not affect environmental review requirements, this enhanced program may qualify as a routine program change to the NCCMP federally approved program. DCM is encouraged to submit information about the express permitting process to OCRM for discussion and review.
5	PS	As funding permits, DCM is encouraged to restore financial assistance under the CAMA Local Planning and Management Grants Program to allow local governments to support the review and update of land-use plans under the new Land-Use Plan Guidelines. DCM is also encouraged to identify additional sources of funding to help support plan revisions and implementation.

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6	PS	DCM should continue current efforts to evaluate the impacts and the State's management of beach renourishment projects to ensure a comprehensive approach to beach management. DCM may wish to consider the development of standards for sand materials, policies for dredging sand from inlets and assessment of available sand sources, among other issues.
7	PS	Once the Inlet Hazard AEC study is completed, DCM should present the new maps and AEC delineations to the CRC for consideration and adoption. Assuming the process works as intended, efforts should be undertaken to complete similar work for the remaining 14 inlets. DCM should also evaluate the adequacy and effectiveness of the existing AEC rules, taking into account recommendations of the Science Committee, the CRC, and others, and develop and propose new rules as appropriate.
8	PS	NOAA recommends that DCM continue to increase its focus on estuarine planning and management.
9	NA	DCM, working with OCRM, must develop a schedule for submitting outstanding program changes, including updated land-use plans, to OCRM for incorporation into the NCCMP within 90 days of receipt of the final findings.
10	NA	DCM must submit the description of its public participation process, consistent with guidance published at 59 Federal Register 30339. This must be submitted with the first performance report following receipt of final findings.